

David A. Vaudt, CPA
Auditor of State

Warren G. Jenkins, CPA
Chief Deputy

Administration and Regulation
Appropriations Subcommittee
February 18, 2003

OFFICE OF AUDITOR OF STATE

Auditor of State – David A. Vaudt, CPA
Chief Deputy – Warren G. Jenkins, CPA

Administration Division ----- Deputy - Judy Vander Linden, CPA

Responsible for general management of the office, which includes fiscal management, data processing, recruiting, and audit report printing. The division also is responsible for personnel, training and quality control.

Financial Audit Division ----- Deputy - Andrew Nielsen, CPA

Responsible for conducting annual audits of Iowa's Comprehensive Annual Financial Report and its Single Audit Report, all state departments and agencies, as well as audits of counties, cities, school districts, and other governmental subdivisions as requested.

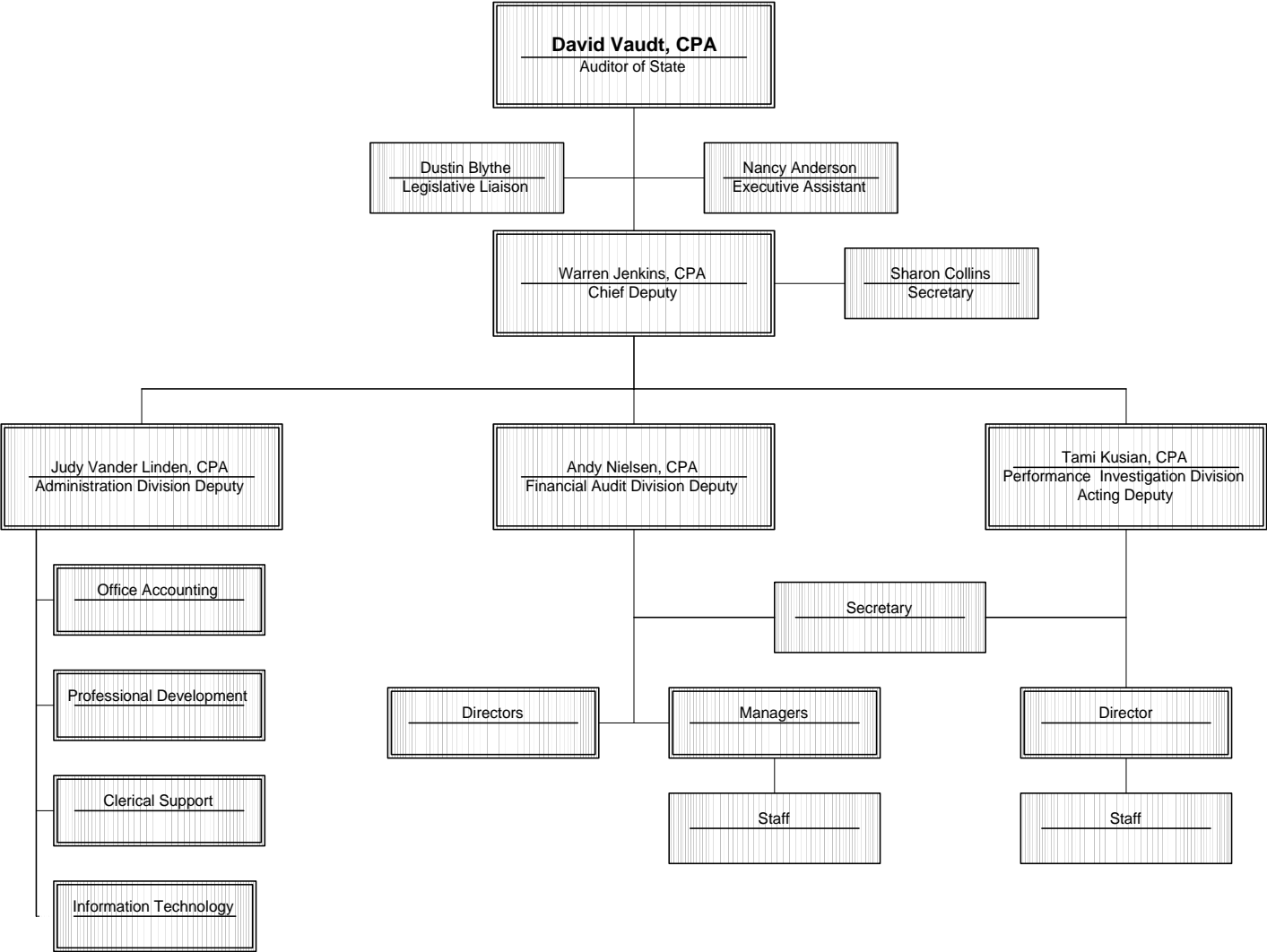
Performance Investigation Division ----- Deputy - Tami Kusian, CPA

Responsible for conducting performance audits of state agencies and the programs they administer. The division also conducts special studies assigned by the Auditor of State or requested by the legislature.

FTE

	FY1997	FY1998	FY1999	FY2000	FY2001	FY2002	EST. FY03	REQ. FY04
Audit	93.42	92.07	89.72	92.27	89.60	89.20	84.60	85.72
IT	2.19	2.23	4.02	4.43	5.00	5.00	5.00	5.00
Clerical	11.82	12.74	11.96	11.44	12.05	10.33	10.39	10.00
MGT	4.00	5.00	5.50	5.19	5.00	5.00	5.00	5.00
Total	111.43	112.04	111.19	113.33	111.65	109.53	104.99	105.72

ORGANIZATIONAL CHART



1/20/2003

Resources

➤ Local governments in accordance with Chapter 11.6

➤ State agencies in accordance with Chapter 11.5B

- Department of Commerce
- Department of Human Services
- Department of Public Health
- State Board of Regents
- Department of Agriculture and Land Stewardship
- Iowa Veterans Home
- Department of Education
- Department of Natural Resources
- Offices of the Clerks of District Court of the Judicial Branch
- Iowa Public Employees' Retirement System
- Federal Financial Assistance
- Information Technology Department

➤ Audit costs paid from appropriation

- Sheep and Wool Promotion Board
- Iowa State Fair
- Corn Promotion Board
- Soybean Promotion Board
- Turkey Marketing Council
- Egg Council
- Attorney General
- Auditor of State of Iowa
- Blind Commission
- Ethics and Campaign Disclosure Board
- Civil Rights Commission
- Department of Corrections
- Cultural Affairs
- Department of Economic Development
- College Aid Commission
- Iowa Public Television
- Department of Elder Affairs
- ICN
- Department of General Services
- Governor's Office
- Department of Human Rights
- Department of Inspections and Appeals
- Judicial Department
- Judicial Retirement System
- Law Enforcement Academy
- Legislature
- Department of Management
- Parole Board
- Department of Personnel
- Peace Officers' Retirement System
- Public Employment Relations Board
- Department of Public Defense
- Department of Public Safety
- Department of Revenue and Finance
- Secretary of State
- Office of State/Federal Relations
- Governor's Substance Abuse Coordinator
- State Appeal Board
- State Executive Council
- Treasurer of State
- Underground Storage Tank Board
- Uniform State Laws Commission
- Judicial Districts
- Iowa Centennial Memorial Foundation

AUDIT HOURS

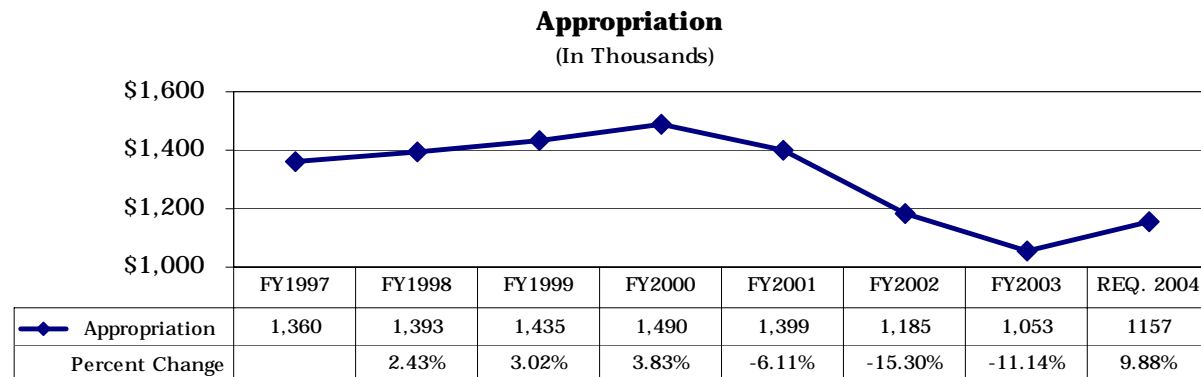
	FY2000		FY2001		FY2002		Estimated FY2003		Budget FY2004	
Filing Fee	7,250	5%	6,144	4%	5,528	4%	5,766	4%	4,266	3%
Local	39,137	25%	40,733	27%	41,485	28%	38,038	28%	38,038	27%
State Billed	79,148	50%	72,479	48%	74,137	51%	76,774	56%	76,746	55%
Appropriated	31,761	20%	31,495	21%	25,499	17%	16,919	12%	19,395	14%
Audit Hours	157,296	100%	150,851	100%	146,650	100%	137,497	100%	138,445	100%
Percent change			-4.10%		-2.79%		-6.24%		0.69%	

FINANCIAL SUMMARY

	ACTUAL FY2000	ACTUAL FY2001	ACTUAL FY2002	BUDGET FY2003	REQUEST FY2004
RESOURCES:					
Balance Forward	\$ 156,004	\$ 135,335	\$ 67,322	\$ 76,800	\$ 20,427
Appropriation	\$ 1,490,432	\$ 1,399,414	\$ 1,185,088	\$ 1,052,565	\$ 1,157,822
Audit Billings	\$ 4,898,526	\$ 5,211,734	\$ 5,793,119	\$ 6,212,638	\$ 6,583,663
Filing Fees	\$ 319,975	\$ 324,150	\$ 327,725	\$ 324,000	\$ 332,000
Other	\$ 10,561	\$ 9,440	\$ 8,989	\$ 8,500	\$ 500
Total Resources	\$ 6,875,498	\$ 7,080,073	\$ 7,382,243	\$ 7,674,503	\$ 8,094,412

DISPOSITION OF RESOURCES:

Personal Services	\$ 5,928,457	\$ 6,217,000	\$ 6,624,798	\$ 6,820,104	\$ 7,112,722
Travel & Subsistence	\$ 375,313	\$ 369,894	\$ 345,548	\$ 368,843	\$ 379,729
Contractual services	\$ 195,062	\$ 138,858	\$ 159,726	\$ 179,599	\$ 197,363
Other	\$ 252,478	\$ 286,999	\$ 175,371	\$ 285,530	\$ 361,279
Balance Forward	\$ 124,188	\$ 67,322	\$ 76,800	\$ 20,427	\$ 43,318
Total	\$ 6,875,498	\$ 7,080,073	\$ 7,382,243	\$ 7,674,503	\$ 8,094,412



Financial Highlights

- Appropriation decreased by 1/3 since FY2000.
- Salary adjustment not received.
- Audit hours decreased over 13%.
- Kept audit hours up by postponing computer purchases.
- Now 1/3 of our laptops are out of warranty, with another 1/3 with warranties lapsing in August and the last 1/3 lapsing in May FY04. All but 3 of 33 desktops are out of warranty.
- ITD billings increased by approximately 400% in FY03 (from approximately \$18,000 to an estimated \$75,000.)

Concerns

- Reduction in hours may increase exposure to errors and irregularities.
- Current computers barely meet the minimum requirements for using I/3.
- Performance audits not adequately funded.